

FAQs on FY2014 Public Schools Budget Request

Updated September 7, 2012

Q: When do you expect a decision on the type of 1:1 devices to be made?

A: This is being handled by the Department of Administration, and we get updates. Every day, they are getting closer. We are still confident that we are going to be able to meet this timeline in delivering these devices this fall. Once we clear this hurdle, then it's not going to affect the timeline going forward. We are focused on making sure we have accomplished two things before this decision is made and that is that the device and the service behind the device is what's best for students and is very sensitive to taxpayers. As you can imagine, there are a number of people that have come forward and are interested in a providing a device or service and the Department of Admin is going through the process of evaluating all of those options. I wish I had a definite date.

Q: Does the 1.67% restoration apply to all base salaries or just instructional?

A: It applies to all base salaries.

Q: Will the minimum teacher salary go up?

A: Yes, it will increase by 1.67%, which is about \$500.

Q: Does the budget proposal fund movement on the grid for the FY2014 year?

A: Yes. The budget request would fully fund current year movement, in addition to restoring one year of experience of the two years that have been frozen.

Q: Some staff in schools are receiving mixed messages about what happens if the Students Come First laws are repealed. If the laws are repealed, will the pay-for-performance bonuses be paid out in November?

A: The answer is that we do not have the legal authority to distribute those funds if the laws are removed from the books. I wish that weren't the case, and believe me, if there is any way that the money can be distributed, we are going to do it. I don't think anyone has fought harder for pay-for-performance than I have and some of you have. These laws were written and these dates were placed into law long before there was ever a referendum we had to deal with. The November 15 date was specific because that is the date of the third payment we make to schools. We built in enough time to make sure that we get the student achievement data from you, and give you time to appeal it. We review it and send it back to you for further review and appeal. Then it goes back to us, and we fold it into the pay-for-performance model. In order to do that accurately, it takes time, and we knew it would take time when we originally wrote these laws. That is why November 15 was put into the books.

Just so you understand, every legislative session, the Legislature goes through a process of setting any number of laws that affect education. At the end of the legislative session, JFAC sets a budget that they estimate will meet the financial requirements of the laws that were passed by the Legislature. That's what the appropriation is. And then we go throughout the school year applying the law and drawing down the appropriations that the Legislature gave us to apply the law. At the end of the school year, if the Legislature did not appropriate enough money to apply the laws, then we dip into the rainy day account to fully implement the laws. If at the end of the school year, they have appropriated more money than necessary to apply laws, then we put that money into the rainy day account. That's exactly what happened at the end of this fiscal year. We had \$12 million of money that the Legislature appropriated, and we distributed all the money we could based on the law and that \$12 million we had to put in the rainy day account. We couldn't just turn around and distribute it because we didn't have

the legal authority. If these laws are overturned, then we can only distribute money based on the laws that are on the books. So it not only means that we can't distribute the pay-for-performance dollars, we can't distribute the rest of the dollars for the technology, we can't distribute the money that pays for students to take dual credit, we can't distribute the money for professional development, and I could go on and on. Financially, it will be very disruptive. It will be similar to the state cutting funding to our schools in the middle of the school year, and we have avoided that even under the worst circumstances. But those are the laws that are in place, and we hope we don't have to deal with that but that's the predicament we find ourselves in.

Q: Which specific staff positions are included in classified staff for pay-for-performance?

A: We set that up the way it was set up in Idaho's Race to the Top grant. It targets the building-based classified staff, so we went through and looked at all the different positions that can be called building-based staff and included them. Examples would include, but are not limited to, non-certified school-based staff such as office support personnel, child nutrition employees, instructional assistants, special education assistants, library assistants, safe environment/security personnel, school-based IT staff, and custodial staff.

Q: Is it true that the 1.67% is an increase? Or is it just making us whole and should be identified as an increase?

A: It is an increase over what schools are currently receiving. The 1.67% shift was instituted in the FY2012 budget and in the FY2013 budget. You will be getting 1.67% more money in salary-based apportionment than you've been getting for the past two years.

Q: Can you clarify the timeline for pay-for-performance and when data will be available to local school districts?

A: The first step in this process was the appeals window for the ISAT scores and AYP calculations. We had expected that would be done in July, and we would then have six weeks to take that information and make all our calculations, line it up with the FTE data we have by building so we can make those quartile cuts and get the report out to you on September 1. Since we ended up extending the appeals window for you into mid-August, instead of having six weeks for that process we had two weeks. As a result, even though we have worked really hard to compress that timeline, we still aren't quite at a point yet where we are ready to release that. I don't think that it will take any longer than sometime next week. Sometime next week we will have that report out to you. Originally, we said September 1st and that you would have until October 1st to make any corrections to that FTE data. We want to make sure you have some time with your eyeballs on this and no one has been left out. We don't want, maybe you have a teacher that served several different buildings and so you just have them assigned to the district office. If they are instructional position, you should have them coded to reflect the school they are supporting. Those are the kind of things we want you to check. Just because we are going to be a little later in getting the data to you, doesn't mean you are going to have any less time to review it. We are still going to give you 30 days. Whenever it is next week that we are going to get this out to you, you will have 30 days from that point to review it and get any corrections or changes back to us. Then, we will compress our next step in the timeline which is where we take all those corrections and recalculate anything that needs to be recalculated, and get the final report out to you by the end of October. Once we do that, you will have the opportunity to input your local share information into the database and it will calculate each individual award for you. If you did not adopt a local plan and defaulted to the state plan, all of the calculations will be made for you in that report by the end of October. Then, we will ship the money out on November 15 assuming the laws have been upheld, or at least I should say that Proposition II has been given 'yes' vote.

Q: Can you explain how the determination is made on the amount a district will receive for local shares?

A: It's a two-step calculation. Here is a brief overview. Basically, the first step is calculating the state shares and how many state shares are earned by schools. If you have a school that earns $\frac{3}{4}$ of a share and you have 20 teachers at that school, that means there have been 15 state shares earned. You do that for each school throughout the district, and you come up with a total for however many state shares have been earned in that district. We will then be able to mathematically determine based on how many state shares have been earned statewide and the \$38.8 million we have to distribute how much a state share is worth. It is probably going to be worth around \$4,000 for this first step. Then, we will multiply how many state shares have been earned in your district by the \$4,000 and distribute it to you. That's your district pot. That's the first step. Then, once you get your pot of money what you do at the local level, and we will have a tool that calculates this for you through ISEE, it comes up with a combined share number where it adds state and local shares earned by each of your employees for each employee that earned at least a fraction of both. The law says you have to meet at least some level of state goal and local goal to get a bonus. If you earn at least a piece of state and piece of local, you come up with a combined share for each employee. Then, you add up the combined shares across the district, divide it into the pot of money that you have and that tells you what a combined share is worth in your district.

Q: Please clarify what the process will be to correct pay-for-performance data.

A: It is going to be through ISEE. It will involve districts uploading a corrected May upload. We will provide more details on that process soon.

Q: When the quartiles are divided, are elementary schools compared to high schools?

A: Yes, when it comes to growth, we are using the median student growth percentile in each subject in each school. Since everybody has a median student growth percentile in these three subjects, every school will be on the same scale. When it comes to excellence, we will convert scores into standard scores so we can compare all schools on the same scale.

Q: Are 4-Star Schools eligible for monetary awards?

A: The Five Star Rating System includes some similar elements to pay-for-performance, but they are a different calculation. No matter what kind of star rating you got, that doesn't necessarily say anything about whether your school qualifies for pay-for-performance. The state estimates 85% of teachers will receive some form of a bonus so it will not likely be just 4-Star or 5-Star Schools but some 3-Star, 2-Star, or 1-Star schools could also participate in pay-for-performance.

Q: Does the pay-for-performance plan for district administration include classified staff who work at the district office?

A: Currently, the proposal for district administrative staff is just for certificated staff who work at the district office.

Q: Will the State Department of Education consider including classified personnel at the district level in the pay-for-performance plan?

A: Yes, Superintendent Luna said that the Department will consider this. He said he is not opposed to including classified staff at the district level, so he will explore what the cost would be and whether it can be included in the FY2014 budget proposal if it is a priority for local school districts.

Q: What would be the cost to restore both years of experience on the salary grid rather than just one?

A: It is about \$6 million per year, so it would cost \$12 million to do both.

Q: While the 1.67% increase does help a great deal, it doesn't address furlough days and the shortened school year. Will future budgets restore those?

A: While people focus a lot on the 1.67% adjustment, we cannot forget that there has been a 9% reduction to salary-based apportionment in past years because of shortfalls in state revenues. We are trying to address the issues we promised we would address as additional money became available and take care of those first. We are certainly well aware of the fact that districts have had to take significant cuts due to revenue shortfalls, and we are trying to gradually buy some of that back. You can see that with the return of the one year of experience in this budget proposal. We will continue to chip away at that as more revenues come in.

Q: How much money is currently in PESF and is there a number the Legislature is comfortable with?

A: Approximately \$49 million is currently in PESF. I don't think there is any agreement as to what that ought to be. To put that in perspective, \$49 million relative to \$1.3 billion annual appropriation is less than 5%. We went into this recession with well over \$100 million in PESF, but that still was not enough.

Q: Are revenues for July and August meeting targets?

A: We have not heard data on August yet, but July revenues were close. They were down a bit, but year-to-date revenues are exceeding expectations. We are comfortable with the budget request we put forward. We believe it is the right amount with the information we have today.

Q: Will we get a first payment for classroom technology funds? If so, when can we expect it?

A: Yes, by the end of September.

Q: Why is state funding for IDLA less than last year?

A: The reduction in the state portion of IDLA's funding was anticipated in FY2014 as written in Idaho Code as IDLA transitions to a more self-sustaining formula. Therefore, IDLA is receiving a smaller state subsidy going forward but will receive funding through fractional ADA based on the courses students take throughout the year, as well as through the state-funded "8 in 6" online overload courses for students wishing to accelerate through their secondary schooling, and qualify for state-funded dual credit courses in high school.